

Bay Area Office Snapshot

▲ 19.3% Vacancy
▼ -2.7M Net Absorption Sq. Ft.
▲ 5.3M Deliveries YTD Sq. Ft.
▶ 7.9M Under Construction Sq. Ft.
▼ \$5.48 Average Asking Sq. Ft.

Figure 1: Market Statistics Office

Market	Net Rentable Area	Total Vacancy %	Total Vacant SF	Total Availability %	Total Direct Available	Total Sublease Available	Average Asking Rate (\$)*	Current Net Absorption	YTD Net Absorption
San Francisco	86,902,388	27.6	23,965,825	32.6	19,438,057	8,907,302	6.32	(1,300,547)	(4,338,346)
Class A	58,526,015	25.0	14,608,966	30.7	11,817,715	6,130,679	6.81	(864,997)	(2,811,458)
Class B	22,870,963	33.8	7,727,845	37.4	5,993,779	2,567,304	5.68	(451,802)	(1,572,422)
SF Peninsula ¹	33,821,589	14.2	4,811,340	18.2	4,376,844	1,778,267	6.71	(252,241)	(454,090)
Class A	20,462,005	14.2	2,911,741	18.5	2,300,535	1,484,637	8.09	(107,164)	(215,026)
Class B	9,141,344	14.6	1,335,081	18.5	1,449,961	240,948	5.64	(105,244)	(163,841)
Silicon Valley ²	103,468,705	14.1	14,627,910	16.4	12,834,452	4,090,785	5.65	(310,807)	1,194,962
Class A	71,406,463	14.4	10,288,762	16.6	8,333,054	3,488,013	6.31	(172,044)	1,942,051
Class B	23,039,884	15.9	3,674,016	18.9	3,811,371	546,229	4.99	(130,171)	(574,114)
Oakland ³	30,380,133	18.6	5,642,934	21.2	4,981,126	1,465,395	4.52	(407,461)	(380,106)
Class A	13,126,753	21.4	2,810,233	26.0	2,394,130	1,016,270	4.98	(416,513)	(197,678)
Class B	12,262,384	20.3	2,483,818	21.8	2,351,257	419,811	4.16	(67,130)	(253,321)
I-680 Corridor	35,497,754	19.5	6,907,653	22.9	6,268,659	1,874,637	3.05	(436,305)	(591,709)
Class A	22,313,431	23.0	5,109,652	28.0	4,616,154	1,637,353	3.26	(437,057)	(523,025)
Class B	12,166,533	13.9	1,689,565	14.6	1,542,327	237,284	2.36	6,106	(80,286)
Total Bay Area Market	290,070,569	19.3	55,955,662	22.8	47,899,138	18,116,386	5.48	(2,707,361)	(4,569,289)
Class A	185,834,667	19.2	35,729,354	23.3	29,461,588	13,756,952	6.12	(1,997,775)	(1,805,136)
Class B	79,481,108	21.3	16,910,325	24.1	15,148,695	4,011,576	4.97	(748,241)	(2,643,984)

Source: CBRE Research

¹ Excludes Palo Alto

² Includes Fremont/Newark and Palo Alto

³ Excludes Fremont/Newark

* Direct Monthly Lease Rates, Full Service Gross

Figure 2: Average Asking Rates FSG

Avg. Asking (\$)

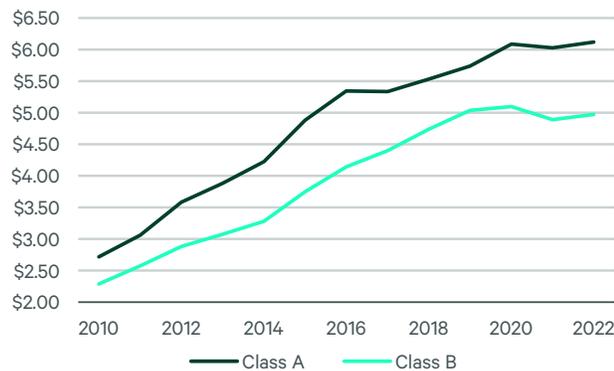
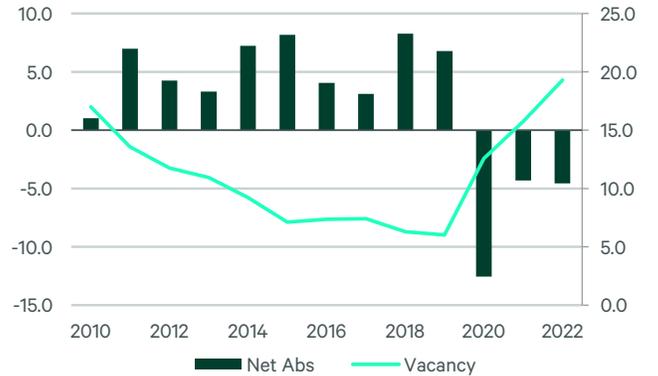


Figure 3: Net Absorption & Vacancy

Net Abs. Sq. Ft. (million)

Vacancy (%)



Bay Area R&D Snapshot

▲ 8.7% Vacancy
▼ -885K Net Absorption Sq. Ft.
▼ 606k Deliveries YTD Sq. Ft.
▲ 5.1M Under Construction Sq. Ft.
▲ \$3.15 Average Asking Sq. Ft.

Figure 4: Market Statistics R&D

Market	Net Rentable Area	Total Vacancy %	Total Vacant SF	Total Availability %	Total Direct Available	Total Sublease Available	Average Asking Rate (\$)*	Current Net Absorption	YTD Net Absorption
SF Peninsula ¹	25,028,603	4.5	1,112,844	7.7	1,205,701	722,767	6.88	(217,502)	41,475
Silicon Valley ²	143,920,721	10.0	14,335,949	12.4	14,089,966	3,697,835	2.93	(642,153)	(1,020,674)
Oakland ³	17,540,312	4.8	845,386.0	7.6	1,094,978	245,387	2.71	(32,332)	466,249
Tri-Valley	6,513,449	7.6	494,444	7.8	347,342	161,366	1.80	6,785	47,108
Total Bay Area Market	193,003,085	8.7	16,788,623	11.2	16,737,987	4,827,355	3.15	(885,202)	(465,842)

Source: CBRE Research

¹ Excludes Palo Alto

² Includes Fremont/Newark and Palo Alto

³ Excludes Fremont/Newark

* Direct Monthly Lease Rates, NNN

Figure 5: Average Asking Rates NNN

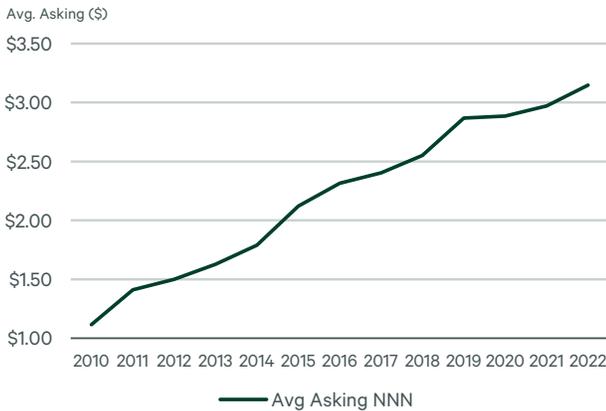


Figure 6: Net Absorption & Vacancy

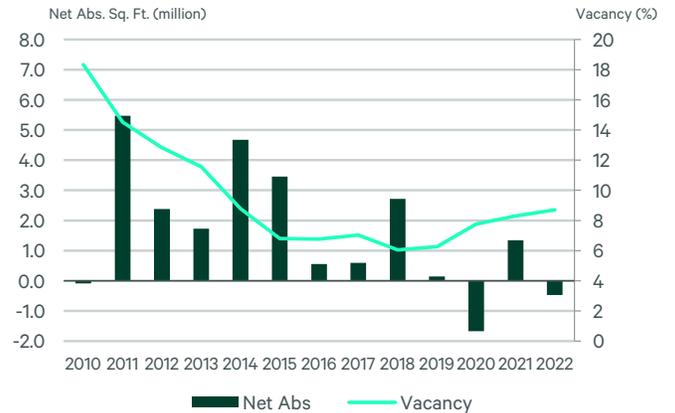


Figure 7: Combined Office / R&D Historical Deliveries

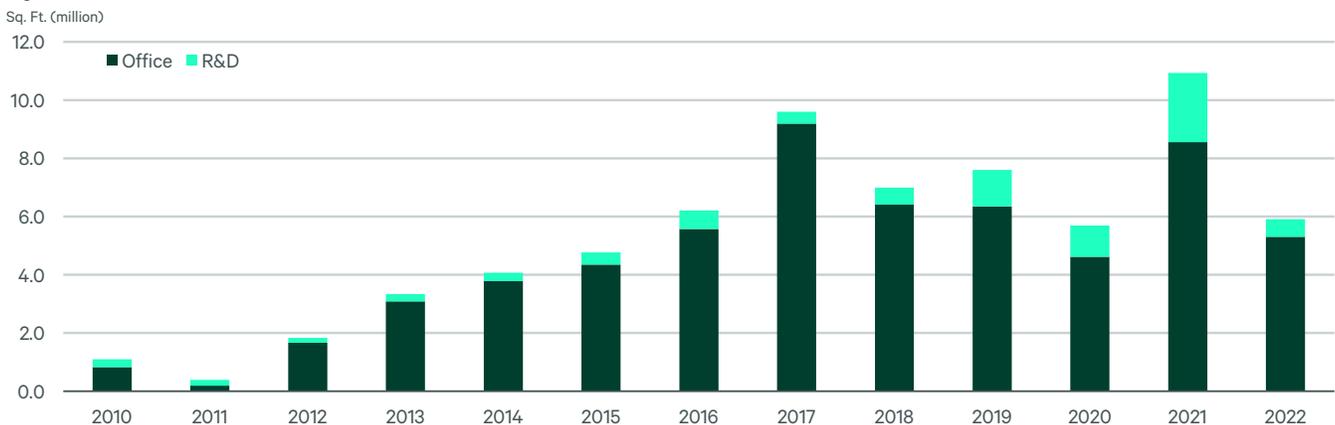


Figure 8: Significant Lease Transactions of the Quarter

Lessee	Address	Market	Total SF	Property Type	Lease Type
Insitro	279 E Grand Blvd	San Francisco Peninsula	143,188	R&D - Life Sciences	Renewal/Expansion
Morgan Stanley	555 California St	San Francisco	131,728	Office	Renewal
Moxion Power	1400 1438 S Harbour Way	Oakland	126,300	R&D	New Lease
Coupa Software	950 Tower Ln	San Francisco Peninsula	100,637	Office	New Lease
Confidential	1410 Harbor Bay Pkwy	Oakland	100,335	Office	New Lease
ProteinSimple	3001 Orchard Pkwy	Silicon Valley	97,890	R&D	Renewal
Sigma Computing	116 New Montgomery St	San Francisco	82,597	Office	Renewal
Confidential	455 E Trimble Rd	Silicon Valley	80,125	R&D	New Lease
Databricks	160 Spear St	San Francisco	70,000	Office	Renewal
Confidential	1625 Charleston Rd	Silicon Valley	67,000	R&D	Renewal

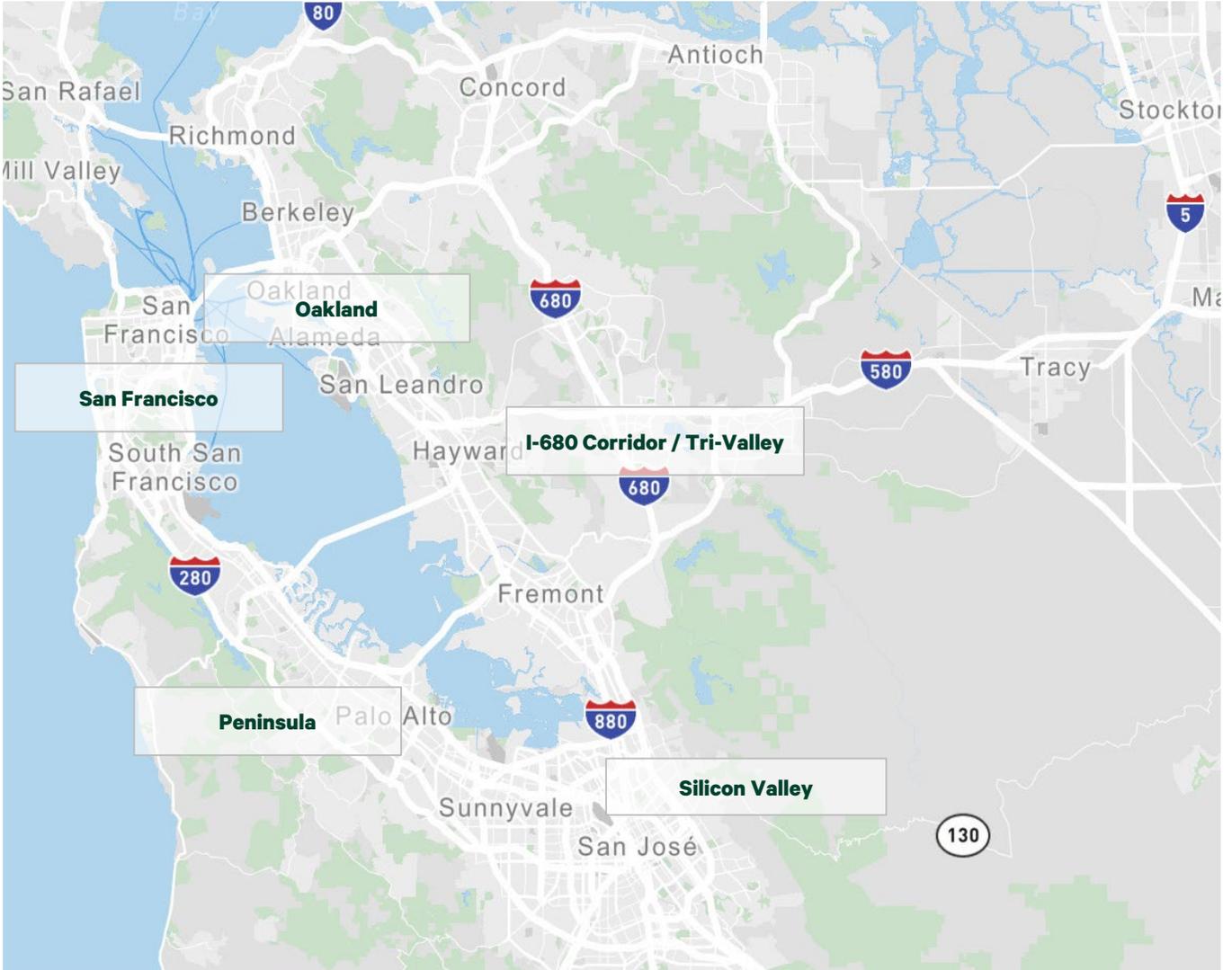
Figure 9: Significant Sale Transactions of the Quarter

Buyer	Address	Market	Total SF	Price	Property Type	Buyer Type
Metzler Enterprises	684 W Maude Avenue	Silicon Valley	195,000	\$222.0M	Office	Investor
Drawbridge Realty	200 S Mathilda Avenue	Silicon Valley	156,960	\$193.3M	Office	Investor
Pen. Building Materials Co.	Multiple Addresses	Silicon Valley	209,425	\$94.7M	R&D	Owner-User
Blue River Technology	3303 Scott Boulevard	Silicon Valley	83,590	\$85.0M	Office	Owner-User
Gemini Rosemont	1828 El Camino Real	San Francisco Peninsula	65,804	\$59.0M	Office	Investor
Batton Associates	2580 Orchard Pkwy	Silicon Valley	129,024	\$41.5M	R&D	Investor
Summerhill Housing Group	2850-2860 W Bayshore Rd	San Francisco Peninsula	32,639	\$27.5M	R&D	Investor
Dewey Land Company	990 Industrial Rd	San Francisco Peninsula	23,703	\$22.0M	Office	Investor
Gurnick Academy	1641 N 1st Street	Silicon Valley	48,300	\$11.0M	Office	Owner-User
Robert Williamson	1710 Industrial Rd	San Francisco Peninsula	19,310	\$8.5M	R&D	Investor

Figure 10: Significant Construction Projects

Project	Address	Market	Total SF	Product Type	% Released	Est. Comp
Caribbean Campus	200 W. Caribbean Dr.	Silicon Valley	1,041,890	Office	100%	2023
200 Park	200 Park Ave	Silicon Valley	965,000	Office	0%	2023
Oyster Point Phase II	384 Oyster Point	San Francisco Peninsula	900,000	Office, R&D-Life Sciences	0%	2025
The Landings	1860-2159 Landings Dr	Silicon Valley	800,000	Office	100%	TBD
Southline - Phase I	240 Dollar Ave	San Francisco Peninsula	670,000	R&D	0%	2024
Elco Yards	1601 El Camino Real	San Francisco Peninsula	655,000	Office, R&D	0%	2024
CityLine Sunnyvale	250/300 Washington	Silicon Valley	624,679	Office	0%	2024
Mission Rock (Phase I)	Parcel G & B	San Francisco	600,000	Office	50%	2023
Genesis Marina	3000, 3300, 3500 Marina	San Francisco Peninsula	575,000	R&D-Life Sciences	58%	2023
ARE Millbrae	201-231 Adrian Rd.	San Francisco Peninsula	557,300	R&D-Life Sciences	51%	2025

Figure 11: Regional Map



DEFINITIONS

Average Asking Rate Direct Monthly Lease Rates, full service gross (office) and Net Net Net (R&D). Availability All existing space being marketed for lease. Total Vacancy Rate Direct Vacancy+Sublease Vacancy.

Konrad Knutsen

Associate Director, Northern California
 T: +1 916 446 8292
 E: konrad.knutsen@cbre.com

SURVEY CRITERIA

CBRE’s market report analyzes existing single- and multi-tenant office and R&D buildings that total 10,000+ sq. ft., excluding owner-occupied buildings in most markets (included for Silicon Valley). CBRE assembles all information through web and phone canvassing, third-party vendors, and listings received from owners, tenants and members of the commercial real estate brokerage community.

© 2023 CBRE, Inc. All rights reserved. This information has been obtained from sources believed reliable but has not been verified for accuracy or completeness. CBRE, Inc. makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy, completeness, or reliability of the information contained herein. You should conduct a careful, independent investigation of the property and verify all information. Any reliance on this information is solely at your own risk. CBRE and the CBRE logo are service marks of CBRE, Inc. All other marks displayed on this document are the property of their respective owners, and the use of such marks does not imply any affiliation with or endorsement of CBRE. Photos herein are the property of their respective owners. Use of these images without the express written consent of the owner is prohibited.